

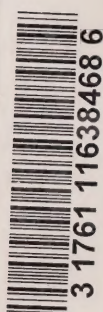


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"For Communication in the Public Interest"



CRTC Annual Report

1991-1992



Canadian Radio-television and
Telecommunications Commission

Conseil de la radiodiffusion et des
télécommunications canadiennes

Canada

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Chairman

Président

June 16, 1993

The Honourable Perrin Beatty, P.C., M.P.
Minister of Communications
300 Slater Street
Ottawa, Ontario
K1A 0C8

Dear Minister:


In accordance with the provisions of the CRTC Act, I am pleased to provide this report on the Commission's work on behalf of the citizens of Canada during the fiscal year 1991-1992. Additional copies of the annual report are enclosed for tabling in Parliament.

Once again, the CRTC's regulation and supervision of the broadcasting and telecommunications sectors involved extensive public consultations, including public hearings across Canada.

As always, the Commission's decisions were guided by our fundamental goal of striking a fair and reasonable balance between the interests of consumers and the needs of the industries we regulate. Our efforts were also focused on streamlining regulation and ensuring that the broadcasting and telecommunications policy framework is responsive to changing technology, market conditions and consumer demands.

Respectfully yours,

Keith Spicer



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Annual Report 1991-1992

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C **RTC Mission Statement**

We aim to help Canadians better understand how their values and diversities shape Canada's unique personality in the world. We do so by regulating our broadcasting and telecommunications industries in open, flexible ways to foster creative freedom and to strengthen the prosperity of all our citizens.

CRTC

"For Communication in the Public Interest"

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andate and Guiding Principles

The Canadian Radio-television and Telecommunications Commission (CRTC) is an administrative tribunal established by Parliament through the *Canadian Radio-television and Telecommunications Commission Act*. The Commission is vested with the authority to license and regulate all broadcasting undertakings within Canada and to regulate telecommunications companies under federal jurisdiction.

In carrying out its mandate in the area of broadcasting, the CRTC regulates and supervises all aspects of the Canadian broadcasting system with a view to implementing the broadcasting policy set out by Parliament in the *Broadcasting Act*. In summary, the policy states that the broadcasting system shall be effectively owned and controlled by Canadians. In addition, the system should be comprised of public, private and community elements that offer varied and comprehensive programming of high

standard and provide a balance of information, enlightenment and entertainment for men, women and children of all ages, interests and tastes. Broadcasting licenses must make maximum use, and in no case less than predominant use, of Canadian creative and other resources in the creation and presentation of programming.

On a day-to-day basis, the Commission is guided by certain fundamental goals which shape its broadcasting policies, regulations and decisions. These include:

- Encouraging the production and distribution of distinctly Canadian programming.
- Fostering Canadian talent.
- Providing Canadians with a wide range of programming choices.
- Supporting the development of a creative and economically-healthy broadcasting industry.
- Ensuring that Canadians have a say in the

evolution of the broadcasting system, through an open public process.

- Aiding underserved Canadians - such as minority groups, persons with disabilities, and those who live in remote communities - in gaining access to the full benefits and enjoyment of the broadcasting system.
- Balancing the interests of the players involved.

In telecommunications, the CRTC's jurisdiction flows from the *Railway Act* and the *National Telecommunications Powers and Procedures Act*. The Commission's primary role is to ensure that the rates charged by federally-regulated companies are just and reasonable.

In setting its telecommunications policies and decisions, the Commission's priorities include:

- Ensuring the provision of efficient, just and reasonably priced telecommunications services.

- Ensuring universal accessibility to basic telephone service.
- Ensuring that telecom carriers are financially viable and able to provide basic services of adequate quality to meet subscriber needs.
- Determining where regulation could be replaced or supplemented by reliance on effective market forces.
- Ensuring that telecommunications carriers do not unfairly take advantage of their monopoly or dominant market positions in dealing with subscribers, other carriers, or competitors.

T *he Year in Review*

A. Broadcasting

The CRTC's broadcasting component is comprised of five branches: Radio, Television Programming, Cable Distribution and Broadcast Technology, Industry Analysis, and Secretariat Operations and Licensing. Their work accounted for approximately 36% of the CRTC's total expenditures for 1991-1992, and some 41% of the Commission's total workforce.

The following are highlights, by sector, of the major decisions and issues addressed by the CRTC during the 1991-1992 fiscal year.

Radio

On July 23, 1991, the Commission issued its new Radio Market Criteria which are used in determining the economic viability and potential impact of new entrants in the radio market.

On the same day, the Commission offered to potential applicants the FM frequencies vacated by the former CKO all-news network.

The new, streamlined FM policy proposed in December 1990 formally came into effect on September 1, 1991. It reduced the amount of regulation governing FM stations and provided increased flexibility for meeting changing audience interests.

A public process was initiated for the review and revision of the Commission's regulatory framework for student and community FM radio.

Television

In addition to the normal flow of applications for new, amended or renewed licences, the Commission issued decisions resulting in several significant changes in the ownership of television licensees. These included approval of applications by the Consortium de télévision Québec Canada to acquire the assets of TV5 (August 28, 1991); and by WIC - Western International Communications Ltd. to assume effective control of NEWCO Niagara Television Limited (CHCH-TV Hamilton) from Maclean Hunter Acquisition Inc. (October 18, 1991).

On June 28, 1991, the Commission reluctantly agreed with the Canadian Broadcasting Corporation's restructuring efforts in response to significant budgetary shortfalls. The CRTC was particularly concerned that this required the elimination of local television service in 11 communities.

The Commission's efforts to encourage greater industry responsibility and self-regulation took an important step forward on August 30, 1991 with the endorsement of the Canadian Broadcast Standards Council. The Council administers the private broadcasting industry's self-regulatory codes and guidelines, acting as a first line of complaint resolution for consumers.

A new streamlined policy on local television programming came into effect on September 1, 1991. Designed to foster increased Canadian programming by television stations, the policy features greater flexibility in terms of co-productions and co-ventures amongst television licensees.

The Commission has been a strong and consistent advocate of broadcasting services designed specifically to meet the needs of Canada's aboriginal peoples. The CRTC was, therefore, very pleased to grant Television Northern

Canada Inc. a licence to operate an aboriginal television network on October 28, 1991.

Following a public hearing in Vancouver, the Commission approved on January 31, 1992 an application by Allarcom Pay Television Limited to provide a pay-per-view service in western Canada (west of the Manitoba/Ontario border). A pay-per-view service had previously been licensed for eastern Canada.

While upholding the widest possible freedom of expression is a cornerstone of CRTC regulation, the Commission is also committed to ensuring that the Canadian broadcasting system is not used to promote hatred or intolerance. With that in mind, it has established strong provisions in its regulations which prohibit abusive comments against Canadians in accordance with the Charter of Rights and Freedoms. To bring its regulations more closely in line with the Charter, the Commission

added sexual orientation as a criterion for protection against abusive comment.

Cable

A key ownership change within the cable television industry was approved on May 17, 1991 with the decision to allow the sale of Ottawa's Skyline Cablevision to Rogers Communications Inc. The decision included a major investment package by Rogers to improve the system's technical quality, enhance customer service, and provide increased community programming which includes a new French-language channel.

Following an extensive public review process, the Commission released

a new, more flexible policy governing cable community channels on June 5, 1991.

On June 10, 1991, the Commission formally accepted the cable television industry's first national Customer Service Standards which had been developed by the Canadian Cable Television Association through an extensive public consultation process. The Commission has also endorsed the Cable Television Standards Council which administers the standards and provides consumers

with a complaints process for resolving issues and concerns.

In keeping with its goal of capitalizing on new technologies to better serve Canadian viewers, the Commission issued a call for applications for the use of Multipoint Distribution System (MDS) technology for the extension of TV service to small and remote communities.

B. Telecommunications

Regulation of the telecommunications industry accounted for approximately 21% of total expenditures and 22% of the total workforce in 1991-1992. The major issues and initiatives of the year are summarized below.

In response to applications by Unitel Communications and B.C. Rail/Lightel for entry into the public long distance service market, the Commission conducted its most extensive public proceeding ever to determine whether or not increased competition in the long distance telephone market would be in the public interest. The full record of the proceeding was completed in September 1991, with a decision to follow in June 1992.

Following the privatization of Teleglobe Canada Inc., the federal government established a transition period in which the existing regulatory framework for Teleglobe

was maintained. With the end of the transition period, the Commission held a major public hearing in August 1991 to determine what, if any, changes should be made for the future. The Commission's decision, released on December 19, 1991, established Teleglobe's revenue requirement, further liberalized the rules for the resale and sharing of international leased circuits, addressed the issue of cash advances to Teleglobe's parent company Memotec Data Inc., and denied Teleglobe's request for the deregulation of its competitive network services.

On June 26, 1991, the Commission released a decision requiring federally-regulated carriers to prohibit, through their tariffs, the bypass of the Canadian telecommunications system. This situation arises when customers route calls which

originate and terminate in Canada through the United States, using American carriers.

As a result of the Commission's August 1991 decision, customers of Newfoundland Telephone can now attach their own telephone sets. And to help make telephone bills clearer for subscribers, the CRTC has required the company to restructure its total service rates so that subscribers are billed separately for all telephone sets they lease from the company.

During the 1991-1992 fiscal year, the Commission also issued decisions with respect to applications for general rate increases by Island Tel, Maritime Telegraph & Telephone Company Limited, and Telesat Canada. In most cases, the CRTC substantially reduced the level of rate increases proposed by the companies.

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Looking Ahead

The Commission's mandate and workload continue to expand as the industries it regulates evolve, additional telephone companies come within its jurisdiction, and it undertakes new responsibilities in areas such as employment equity within the broadcasting system. As well, the next several years will see an increased regional presence for the CRTC as Commissioners resident in the regions of Canada are appointed pursuant to the new *Broadcasting Act*. In addition, the Commission will continue to adapt its regulations, policies and decisions to the emerging technologies and market conditions of both the broadcasting and telecommunications sectors. Some of the key areas already identified for action are highlighted below.

Priorities in Broadcasting

The Commission's agenda for broadcasting includes the following priorities:

- The development of an appropriate regulatory response to address the potential impact of foreign-based direct broadcast satellite (DBS) services on the Canadian broadcasting system.
- A review of policies regarding the benefits the CRTC expects applicants to provide to the broadcasting system, the company and the community when applications are considered for changes in the ownership or control of licensees.
- A review of the effectiveness of Canadian talent development initiatives

currently required from radio licensees.

- An ongoing review of regulations and policies in all sectors designed to streamline and reduce regulation wherever practical, taking into account the new *Broadcasting Act* and evolving industry conditions.

Priorities in Telecommunications

In exercising its jurisdiction over telecommunications, the CRTC faces a number of major issues such as: the degree of competition, if any, which should be permitted in traditional monopoly markets; the entry and behaviour of regulated carriers in emerging markets; and the rules governing regulated carriers in competitive markets. Significant challenges in the technologically dynamic environment of Canadian telecommunications in a global marketplace are:

- Taking into account the international competitiveness of Canadian carriers and Canadian business.
- Ensuring that the regulatory environment fosters the development of the innovative new services and pricing options required by Canadian consumers.
- Determining in which areas the public interest is best served by competitive market forces rather than a regulated monopoly approach. This places great importance on assessing the objectives and requirements, if any, for the regulation of essentially monopolistic firms operating in competitive markets or in markets in transition from monopoly to competition. This will involve determining the appropriate attribution of costs for carriers that participate in both monopoly and competitive markets.
- Determining what, in terms of the public interest, is a reasonable level of investment in new and emerging technologies, and within what time-frame. The CRTC will work to ensure that the introduction of new technology to the telecommunications networks [eg. Integrated Services Digital Network (ISDN)] is brought about in a cost-effective and equitable manner.
- Assessing the technological and economic possibilities, again bearing in mind the public interest, of any convergence of technology or services by the telephone and cable television industries.
- Determining the need for restructuring the rates for telecommunications services, including reductions to long distance prices, giving due consideration to the potential impact on the accessibility of basic telephone service, the cost of doing business, and on the continued development and maintenance of an accessible public network for the efficient movement of information.

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ppendices

Appendix I

Members of the Commission

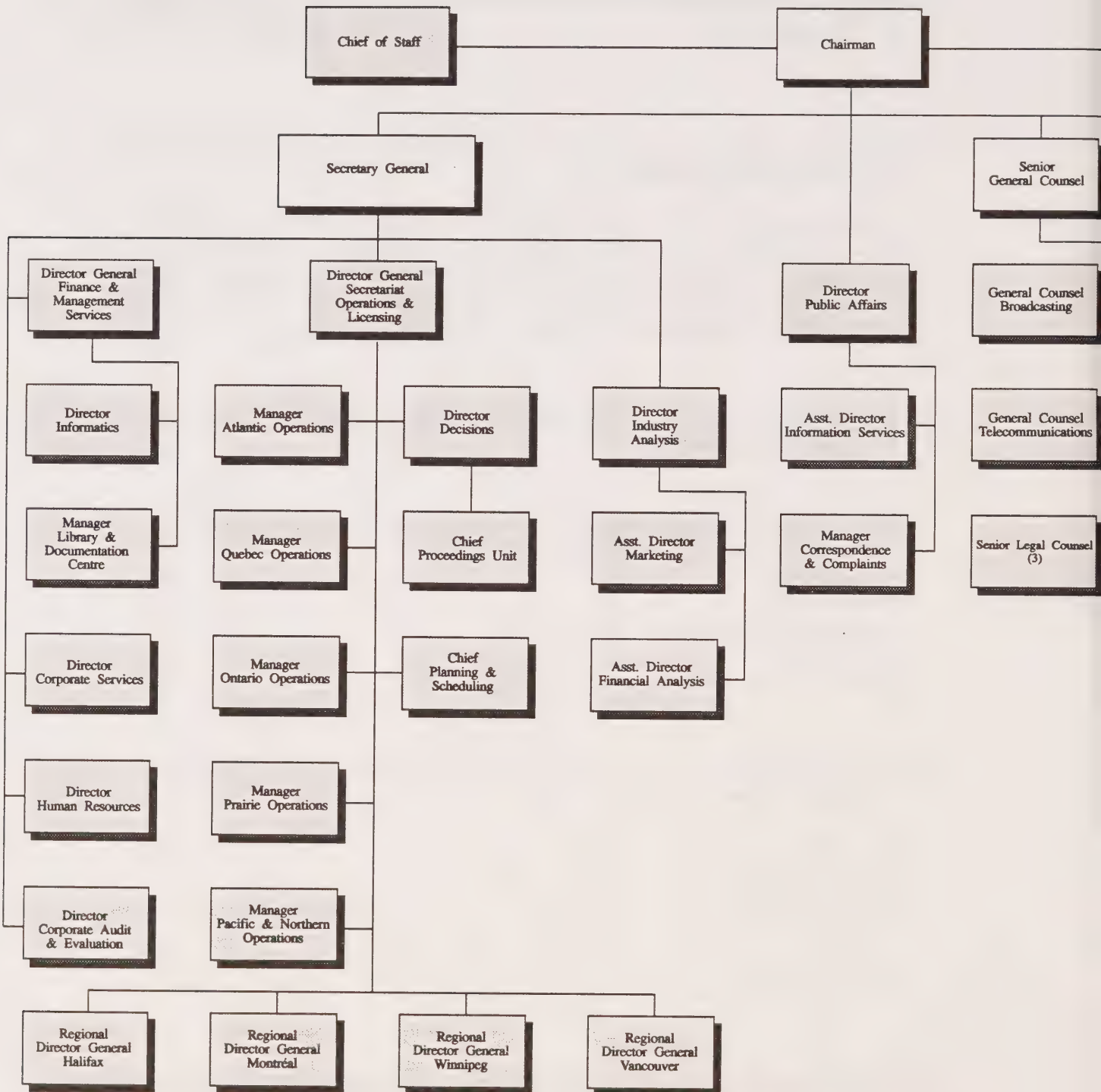
CRTC Commissioners are appointed by the Governor-in-Council for terms of up to five years which are subject to renewal. The *Broadcasting Act* proclaimed in 1991 provides for the appointment of 13 full-time members, including regionally-based Commissioners, as well as a maximum of six part-time members. The following is a list of CRTC Commissioners during the 1991-1992 fiscal year.

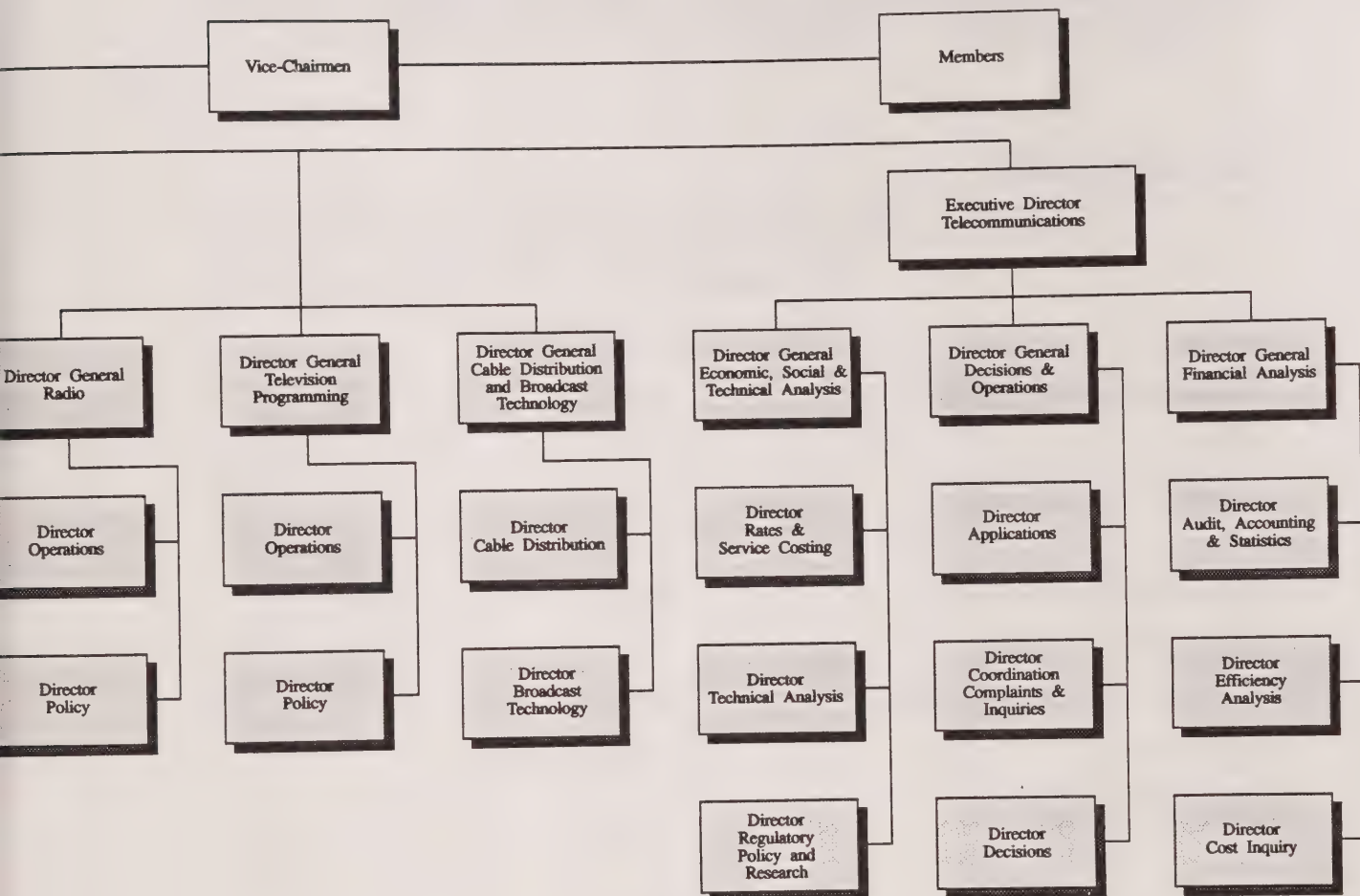
Full-time Commissioners

Keith Spicer, Chairman
Louis R. Sherman, Vice-Chairman, Telecommunications
Fernand Bélisle, Vice-Chairman, Broadcasting
Adrian Burns
David Colville
Paul Edmund McRae (until July 8, 1991)
Beverly J. Oda
Edward A. Ross

Part-time Commissioners

Normand F. Carrier
Robert A. Gordon
Sally Reukauf Warren
Walter Ruest
Gail Scott
Claude Sylvestre





Appendix III

Financial Report

Personnel	26,112,000
Transportation and communications	1,465,000
Information	1,457,000
Professional and special services	2,180,000
Rentals	198,000
Purchase, repair and maintenance	450,000
Utilities, materials and supplies	512,000
Acquisition of equipment and furnishings	2,665,000
All other expenses	8,000
Refunds of amounts credited to revenue in previous years	74,000
TOTAL	35,121,000

Appendix IV- Industry Statistics

Number of broadcasting transmitting and receiving undertakings by geographic area and type, as of 31 August 1992

Geographic area	AM ¹	FM ²	TV ³	NT ⁴	STV ⁵ /MTV ⁶ / BDU ⁷ /MDS ⁸	CABLE ⁹	TOTAL
Newfoundland	37	57	130	1	1	273	499
Prince Edward Island	6	3	7	1	7	17	41
Nova Scotia	20	43	60	1	10	82	216
New Brunswick	24	32	35	2	2	119	214
Quebec	117	217	240	32	10	371	987
Ontario	135	207	371	42	13	402	1170
Manitoba	25	49	65	6	4	128	277
Saskatchewan	24	50	93	3	27	262	459
Alberta	80	95	118	7	20	197	517
British Columbia	152	219	263	11	35	151	831
Yukon	13	39	42	-	4	3	101
Northwest Territories	17	47	112	1	10	17	204
Total	650	1058	1536	107	143	2022	5516

¹ AM includes the low-power relay transmitters.

² FM includes community and student FM stations and stations in remote areas as well as educational and ethnic stations and low power radio announcement systems.

³ TV includes community TV stations in remote areas and educational stations.

⁴ NT: Licensed networks such as CBC, Télémedia, sports networks, pay-tv and Cancom.

⁵ STV(Subscriber television): off-air retransmitters carrying scrambled signals.

⁶ MTV (Multi-transmitter): off-air retransmitter carrying unscrambled signals.

⁷ BDU: Broadcasting distribution undertaking.

⁸ MDS: Multipoint distribution system: off-air retransmitters carrying scrambled signals.

⁹ Cable includes cable systems carrying Cancom, pay-tv and specialty services.

Source: CRTC Secretariat

Originating stations, by type, network affiliation, and geographic area, as of 31 August 1992

Geographic area

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Type and Network affiliation		Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Yukon	N.W.T.	Total
AM	CBCO	4	-	1	2	6	5	3	1	3	2	1	3	31
	CBCA	-	-	-	1	4	2	1	-	-	4	-	-	12
	IND.	17	3	13	11	53	81	13	18	36	53	1	1	300
	Student	1	1	2	-	2	1	-	-	-	2	-	-	9
	Remote community and native	-	-	-	-	-	1	2	1	-	-	-	-	4
	Ethnic	-	-	-	-	1	2	1	-	1	1	-	-	6
	Total	22	4	16	14	66	92	20	20	40	62	2	4	362
FM	CBCO	2	1	3	2	6	8	1	2	2	4	-	1	32
	CBCA	-	-	1	-	2	1	-	-	1	-	-	-	5
	IND.	3	1	7	6	38	49	2	9	12	8	1	1	137
	Student	1	-	1	3	2	13	-	-	2	2	-	-	24
	Educational	-	-	-	-	-	1	-	-	1	-	-	-	2
	Remote community and native	6	-	-	-	19	22	4	10	2	19	3	8	93
	Community	1	-	1	4	25	3	1	1	1	1	-	-	38
	Ethnic	-	-	-	-	-	2	-	-	-	-	-	-	2
	Total	13	2	13	15	92	99	8	22	21	34	4	10	333
TV	CBCO	1	1	1	1	3	3	2	2	2	2	-	-	18
	CBCA	-	-	-	1	6	8	1	3	3	5	-	1	28
	IND.	-	-	1	1	-	4	2	2	5	1	-	-	16
	Community	1	-	-	-	1	-	-	-	-	-	-	-	2
	Educational	-	-	-	-	1	-	-	-	1	-	-	-	2
	Remote community and native	-	-	-	-	-	1	-	-	-	-	-	1	2
	Quatre Saisons	-	-	-	-	7	-	-	-	-	-	-	-	7
	TVA	-	-	-	-	10	-	-	-	-	-	-	-	10
	CTV	1	-	2	2	1	10	1	4	4	2	-	-	27
	TVO	-	-	-	-	-	1	-	-	-	-	-	-	1
	R.-Q.	-	-	-	-	1	-	-	-	-	-	-	-	1
	Global	-	-	-	-	-	1	-	-	-	-	-	-	1
	Ethnic	-	-	-	-	-	1	-	-	-	-	-	-	1
	Total	3	1	4	5	30	29	6	11	15	10	-	2	116
Conventional networks *		1	1	-	1	24	23	4	2	5	9	-	1	71
Other networks														
	Pay-tv and specialty services	-	-	-	-	6	10	-	-	2	2	-	-	20
	Extension of service	-	-	1	-	1	4	1	1	-	-	-	-	8
	Microwave	-	-	-	1	1	4	-	-	-	-	-	-	6
	Programming Cable	-	-	-	-	-	1	1	-	-	-	-	-	2
Total		1	1	1	2	32	42	6	3	7	11	-	1	107
Grand Total		39	8	34	36	220	262	40	56	83	117	6	17	918

CBCO: CBC-owned-and-operated station

CBCA: CBC-affiliated station

Global: Global television network

Ind.: Independent station

*Conventional networks such as CTV, CBC,

Radio-Québec, Radiomutel, etc.

Source: CRTC Secretariat

TVA: TVA television network

CTV: CTV television network

TVO: TVOntario (Ontario Educational Communications Authority)

R.-Q.: Radio-Québec (Société de radio-télévision du Québec)

Quatre Saisons: Quatre Saisons television network

Rebroadcasting stations, by type, network affiliation, and geographic area, as of 31 August 1992

Type and Network affiliation		Geographic area												Total
		Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Yukon	N.W.T.	
AM	CBCO	10	2	-	7	40	31	4	2	28	71	11	13	219
	CBCA	-	-	-	-	2	-	-	-	1	1	-	-	4
	IND.	3	-	4	3	9	12	1	2	10	17	-	-	61
	Educational	-	-	-	-	-	-	-	-	1	-	-	-	1
	Remote community and native	2	-	-	-	-	-	-	-	-	1	-	-	3
	Total	15	2	4	10	51	43	5	4	40	90	11	13	288
FM	CBCO	26	1	24	13	76	79	33	22	32	76	3	11	396
	CBCA	2	-	-	-	6	-	1	-	-	8	5	7	29
	IND.	16	-	6	4	36	9	3	2	8	50	9	6	149
	Educational	-	-	-	-	-	-	-	-	14	-	-	-	14
	Remote community and native	-	-	-	-	-	15	4	-	10	39	11	13	92
	Community	-	-	-	-	4	3	-	-	-	-	-	-	7
	Experimental FM	-	-	-	-	3	2	-	4	10	12	7	-	38
	Total	44	1	30	17	125	108	41	28	74	185	35	37	725
TV	CBCO	92	4	40	8	125	80	42	43	57	92	6	27	616
	CBCA	3	-	-	7	21	19	8	15	6	60	15	19	173
	IND.	-	-	3	2	1	5	1	1	10	6	-	4	33
	Quatre Saisons	-	-	-	1	9	-	-	-	-	-	-	-	10
	TVA	-	-	-	4	17	-	-	-	-	-	-	-	21
	CTV	26	2	14	8	5	8	8	25	31	95	1	-	223
	TVO	-	-	-	-	-	257	-	-	-	-	-	-	257
	R.-Q.	-	-	-	-	18	-	-	-	-	-	-	-	18
	Global	-	-	-	-	-	13	-	-	-	-	-	-	13
	Educational	-	-	-	-	-	-	-	-	2	-	-	-	2
	Remote Community and native (TVNC)	6	-	-	-	14	-	-	-	-	-	20	55	95
	Total	127	6	57	30	210	382	59	84	106	253	42	105	1461
Grand Total		186	9	91	57	386	533	105	116	220	528	88	155	2474

CBCO: CBC-owned-and-operated station

CBCA: CBC-affiliated station

Global: Global television network

Ind.: Independent station

TVA: TVA television network

CTV: CTV television network

TVO: TVOntario (Ontario Educational Communications Authority)

R.-Q.: Radio-Québec (Société de radio-télévision du Québec)

Quatre Saisons: Quatre Saisons television network

Source: CRTC Secretariat

CABLE TELEVISION

Number of systems, subscribers, households, penetration level, and number of employees, from 1986 to 1991, as of 31 August of each year

	1986	1987	1988	1989	1990	1991
Reporting units ¹	701	812	903	756	738	808
Direct subscribers	5,286,980	5,570,706	5,881,814	6,196,041	6,441,195	6,615,974
Indirect subscribers ²	699,153	694,913	659,077	663,336	657,894	668,077
Total subscribers	5,986,133	6,265,619	6,540,891	6,859,377	7,099,087	7,284,051
Households						
wired	7,657,937	7,974,716	8,301,456	8,720,754	9,030,284	9,122,258
in licensed area	7,963,411	8,235,035	8,602,254	8,840,223	9,279,125	9,422,097
Penetration						
market	78.16%	78.6%	78.8%	78.6%	78.6%	79.9%
franchise	96.16%	96.8%	96.5%	98.7%	97.4%	96.8%
Employees	7,404	7,756	8,418	8,968	9,066	8,962

¹ Combined reports for small systems were accepted starting in 1989. Results for 1,600 operating commercial cable systems are included in 1990 and 1991.

² Those provided with cable television service collectively through a third party, such as a landlord, hotel or motel operator or community association.

Source: Industry Statistics and Analysis, Corporate Analysis Directorate, CRTC

Telephone and Telecommunications Carriers

Selected financial statistics of CRTC regulated and other carriers, 1991

\$ Millions	CRTC regulated Carriers													Other Carriers		
	AGT Ltd.	Bell Canada	B.C. Tel	Island Tel	Maritime Tel & Tel	NBTel	Newfoundland Telephone	Northwest Tel	Tele-globe Canada	Tele-sat	Unitel	Total of CRTC regulated carriers (1)	% of total carriers	Total other carriers	% of total carriers	Total [2]
Operating Revenues	1,172	7,729	1,945	52	527	336	266	88	270	190	381	12,956	87.5%	1,847	12.5%	14,803
Operating Expenses	912	5,556	1,453	36	365	245	182	67	214	149	368	9,547	86.5%	1,491	13.5%	11,038
Operating Income	260	2,173	492	16	162	91	84	21	56	41	13	3,409	90.5%	356	9.5%	3,765
Net Income (3)	188	966	201	7	59	37	30	10	41	17	(21)	1,555	91.7%	141	8.3%	1,696
Gross Plant	3,914	23,909	5,118	178	1,690	1,024	897	256	943	1,275	1,279	40,483	87.7%	5,661	12.3%	46,144
Total Assets	2,881	17,163	3,748	129	1,305	683	672	215	948	1,038	948	29,730	88.1%	4,024	11.9%	33,754

(1) - Excludes certain cellular telephone service providers.

(2) - Includes 18 major telephone and telecommunications companies.

(3) - After income taxes, includes interest and other income; data may not be directly comparable.

Source: Financial Analysis, CRTC Telecommunications Directorate.

Major telephone and telecommunications carriers, by affiliation, ownership, type, regulation and territory

Company	Affiliation	Ownership	Type of corporation	Regulation	Principal Territory
AGT Ltd.	Stentor	Private	TELUS Corp.-owned	Note 1	Alberta
Bell Canada	Stentor	Private	BCE Inc.-owned	Federal	Ontario and Quebec
British Columbia Telephone	Stentor	Private	Investor-owned (Note 2)	Federal	British Columbia
ED TEL		Public	Municipally-owned	Municipal	Edmonton
Island Tel	Stentor	Private	Investor-owned (Note 3)	Federal	Prince Edward Island
Manitoba Telephone System	Stentor	Public	Crown Corporation	Note 4	Manitoba
MT&T	Stentor	Private	Investor-owned	Federal	Nova Scotia
NBTel	Stentor	Private	Brunco Inc.-owned	Federal	New Brunswick
Newfoundland Telephone	Stentor	Private	NEL-owned (Note 5)	Federal	Newfoundland & Labrador
Northwestel		Private	BCE Inc.-owned	Federal	NWT, Yukon & Northern B.C.
Northern Telephone		Private	Investor-owned (Note 6)	Provincial	Ontario
Québec-Téléphone		Private	Investor-owned (Note 2)	Provincial	Quebec
Sask Tel	Stentor	Public	Crown Corporation	Note 4	Saskatchewan
Télébec		Private	Investor-owned (Note 6)	Provincial	Quebec
Teleglobe Canada		Private	Teleglobe Inc.-owned	Federal	Overseas
Telesat Canada	Stentor	Private	Stentor-owned (Note 7)	Federal	Canada
Thunder Bay Telephone		Public	Municipally-owned	Provincial	Thunder Bay
Unitel Communications Inc.		Private	Investor-owned (Note 8)	Federal	Canada

1 Alberta Government Telephones was reorganized and privatized during 1990. As a result, effective 4 October 1990 TELUS Corp. and its principal subsidiary, AGT Limited, and other subsidiaries commenced the telecommunications business previously operated by Alberta Government Telephones. AGT Limited is regulated by the CRTC.

2 The principal owner is GTE Corporation of Stamford, Conn., USA.

3 The principal owner is Maritime Telegraph and Telephone (MT&T).

4 On 14 August 1989, the Supreme Court of Canada decided that Alberta Government Telephones lies exclusively within federal jurisdiction but is entitled to claim Crown immunity. The status of Manitoba Telephone System and Sask Tel is the same as Alberta Government Telephones.

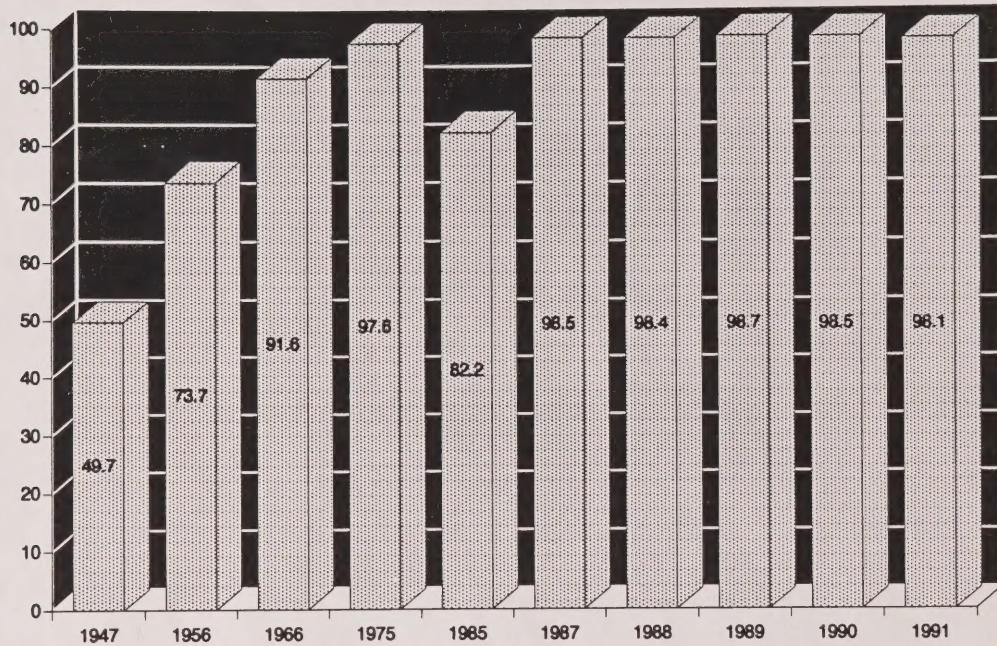
5 NEL: NewTel Enterprises Ltd.

6 The principal owner is BCE Inc.

7 In 1992, the Government of Canada sold its share of Telesat Canada to Alouette Telecommunications Inc. which is comprised of the Stentor member companies, Québec-Téléphone and Spar Aerospace Ltd.

8 CP Ltd. has a 60% interest and Rogers Communications Inc. the other 40% interest.

Telephone Penetration Rates



Consumer Price Index (1971 = 100)

